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SUBJECT: CLIMATE CHANGE: FRANCE ON THE EVE OF BALI

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11. (C) Summary: U.S. and French approaches to reducing GHG emissions diverge dramatically. Jean-Louis Borloo, State Minister for the 'super' Ministry for the Environment told the Ambassador pointedly that, in his opinion, the U.S. was not doing enough to reduce greenhouse gas emissions, and the world was waiting for a USG commitment. Politically savvy and obstreperous, Borloo will lead France's delegation to Bali and could become the lead voice on climate and environment in the EU with the onset of the French presidency. The GOF, however, is split regarding cooperation with the USG on environment. France's climate negotiator Brice Lalonde, for example, stressed to us his interest in the U.S. vision for a Bali roadmap. He praised the U.S. as the source for 'the ideas' that can serve as a way forward in the complex process and recognized the extent of private sector, university, state and local initiatives. USG policymakers and negotiators should be mindful of this split in assessing and managing French positions. End summary.

Environment Front and Center

- 12. (C) President Sarkozy placed the environment at the center of his government, creating a 'super' Ministry with responsibility for ecology and sustainable development, but also including energy, transportation, and regional planning. Borloo was chosen for this post only after Alain Juppe failed in his election bid for the National Assembly. Minister of State Jean-Louis Borloo is the third ranking official in the French government after Sarkozy and Prime Minister Fillon. An ambitious politician in his own right, he backed Sarkozy only when the outcome was clear. Borloo was a successful businessman before entering politics. He leads the center right Radical Party and is known for his bluntness. Borloo is riding high on the success of the the Grenelle for the Environment, a month-long national review of environmental issues.
- 13. (C) On October 25, Sarkozy articulated measures to implement the outcomes of the Grenelle. Specific examples which impact key U.S. interests include a 'suspension' on the sole genetically modified crop being planted in France and consideration of a carbon tax on imports from Kyoto non-participants. Sarkozy has, since his election, in public statements, pressed the U.S. to take a clear leadership role in global climate negotiations, most recently in his address to the U.S. Congress. We expect Sarkozy and his government to continue this refrain at Bali and when France assumes the EU presidency.

Critic-in-chief of U.S. environmental policy

14. (C) Unable for two-and-a-half years to meet with Borloo, Ambassador Stapleton called on the Minister of State on November 21.

He stressed that the U.S. was in the lead in terms of concrete actions to reduce emissions and emissions intensity. The U.S. government had succeeded in the first Major Economies Meeting in bringing the 17 major emitting economies, including China and India, to the table. The Ambassador stressed that without major emerging economies as part of a global framework, the world could not succeed in combating climate change. Stapleton also stressed the U.S. public and private investment in new technologies, and the programs initiated at the state and municipal levels.

15. (C) Borloo expressed disappointment with U.S. climate efforts, claiming that the U.S. is doing little to reduce emissions. Highlighting U.S. consumption, the metric he returned to again and again in an animated discussion was tons of carbon per inhabitant per annum. He underscored not only the different ratios between the U.S. and Europe, but also between the U.S. and China. For Borloo, the U.S. needs to use its undeniable economic might to effect immediate, large-scale change in the way we live and consume energy. He repeated that limiting global warming to two degrees Celsius was essential to humanity and required a 50 percent reduction in global emissions. He opined that the time for action is critical. Today, decisions can be taken democratically, he said, in ten years it will be too late for democratic choices and radical measures would have to be imposed.

Borloo at Bali....

16. (C) In response to our question, Borloo said that his goal for Bali would be to persuade the U.S. to rethink its role in the global process and take immediate steps to reduce emissions domestically. He pressed the Ambassador for a USG target for greenhouse gas reductions and called for market mechanisms such as the European

PARIS 00004618 002.2 OF 003

Emissions Trading System. Borloo stated that the U.S. market approach "cheats" by failing to include environmental costs in pricing.

France's EU Presidency Priorities

17. (C) Regarding France's mid-2008 EU presidency, Borloo suggested several major themes for work, including energy efficiency; renewable energy; the carbon market; and the development of a tax levy on imports from countries not party to a system of controlling greenhouse gas emissions. He gave examples as to how he thought such a system might work. (Note: Immediately prior to meeting the Ambassador, Borloo had made a presentation to the Council of Ministers which included a point about this border tax proposal. News media quote him as saying, "For those countries not participating in the fight against climate change," the GOF will reiterate its call for "border adjustment mechanisms" to avoid unfair competition and environmental dumping.)

On the other hand, other voices....

18. (C) While the U.S. continues to be the object of criticism regarding climate policies from a number of quarters in France, there is also informed comment to the contrary. At a seminar on November 21, for example, two French climate experts saw the U.S. as key to international climate efforts. Brice Lalonde, Ambassador for Climate Change Negotiations, remarked in his public comments that no progress on international climate talks can occur unless the European and U.S. positions merge. Lalonde credits U.S. research as having paved the way for work on the climate internationally and that U.S. research into climate-friendly energy technologies is "impressive." He similarly referred to the U.S. experience - including in dealing with cap-and-trade systems - as "extremely valuable" and that U.S. participation was essential and a 'sine qua non' to bringing China - the most worrisome emitter of GHGs - on board the international process. Among other points, Lalonde said that as the EU-27 becomes

more complex, Europe can benefit from studying U.S. approaches in the environmental domain. He and the other French expert praised the Regional Greenhouse Gas Initiative and work underway in California on energy efficiency. In a conversation following the seminar, Lalonde told ESTH counselor that he was very interested to learn the U.S.'s vision for Bali and that France seeks to work with the U.S. He said good ideas for Bali were at a premium and he hoped the U.S. would come to Bali armed with them. It was - for him - the ideas, and not political ideologies, that would make Bali work.

Biotech is another problem....

19. (SBU) The Ambassador also raised with Borloo concerns over French action on genetically modified crops. Borloo agreed that BtMon810 corn seeds, the only variety permitted in France, presented no food safety concerns. He assured the Ambassador that in January the biotech issue would be clarified by the French government. He also understood the commercial interests some farmers had in production of transgenic corn, and those needed to be taken into consideration. But, he claimed that there nonetheless existed a problem with corn due to its "dissemination" or cross-fertilization characteristics. He conjectured that a traditional French farmer growing only "bio" products could find that transgenic ones had - through wind or other natural mechanisms - entered into his own production. The farmer, Borloo said, could be sued because his products had been contaminated by even a very small fraction of transgenic material. Borloo underscored, therefore, that this technology required additional analysis.

And conflicting signals on biotech

110. (C) Borloo had been detained at the weekly Council of Ministers meeting, providing an opportunity for a lower key discussion with Borloo's chief of staff Christian Fremont, a professional 'prefet' in the French governmental system. Fremont generally responded positively about biotech products, alluding to a French Academy of Sciences statement regarding the need for biotech crops to feed the world's population in the future. He also described France's anti-GMO movement led by the charismatic rabble rouser Jose Bove, as "noisy." Remarkably he thought that the Grenelle process may have provided activists with their day in court leading to greater public confidence regarding GMOs. He downplayed Sarkozy's action calling it a temporary "suspension" not a freeze. He welcomed U.S. expert presentations to the French body to be constituted to review (once again) biotech issues. Fremont also acknowledged USG trade concerns, saying that France was very much aware of these.

PARIS 00004618 003 OF 003

111. (C) Comment: This was the first opportunity we have had for a bilateral with Borloo, a key figure on the environment. Borloo surprised us with his knee-jerk ideological views on environmental issues. He is a sharp contrast to his boss, a smart pragmatist eager to bridge differences to work with the United States. We expect that Borloo will be grandstanding at Bali, setting up his EU role, and we caution that he is quite good at it. That said, other players are more interested in what the U.S. is actually doing and will follow the Elysee's more open approach to engaging the USG. All of this argues strongly that our Bali delegation needs to be well armed with a detailed, factual presentation of the progress we have made and our compelling vision for the future. End Comment.

STAPLETON